

Assessing Subeconomic Natural Gas Resources in the Anadarko and Uinta Basins

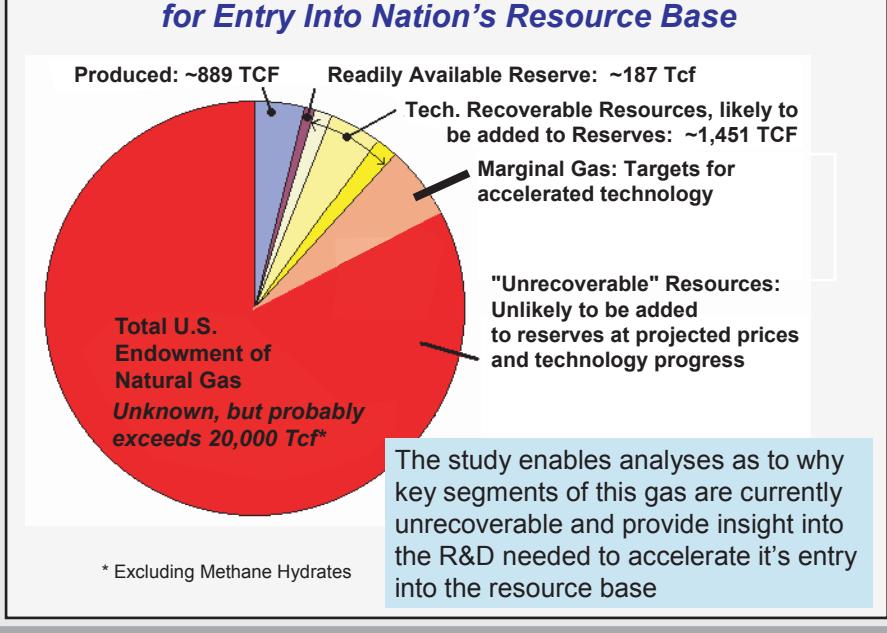
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Project Background

Key Points

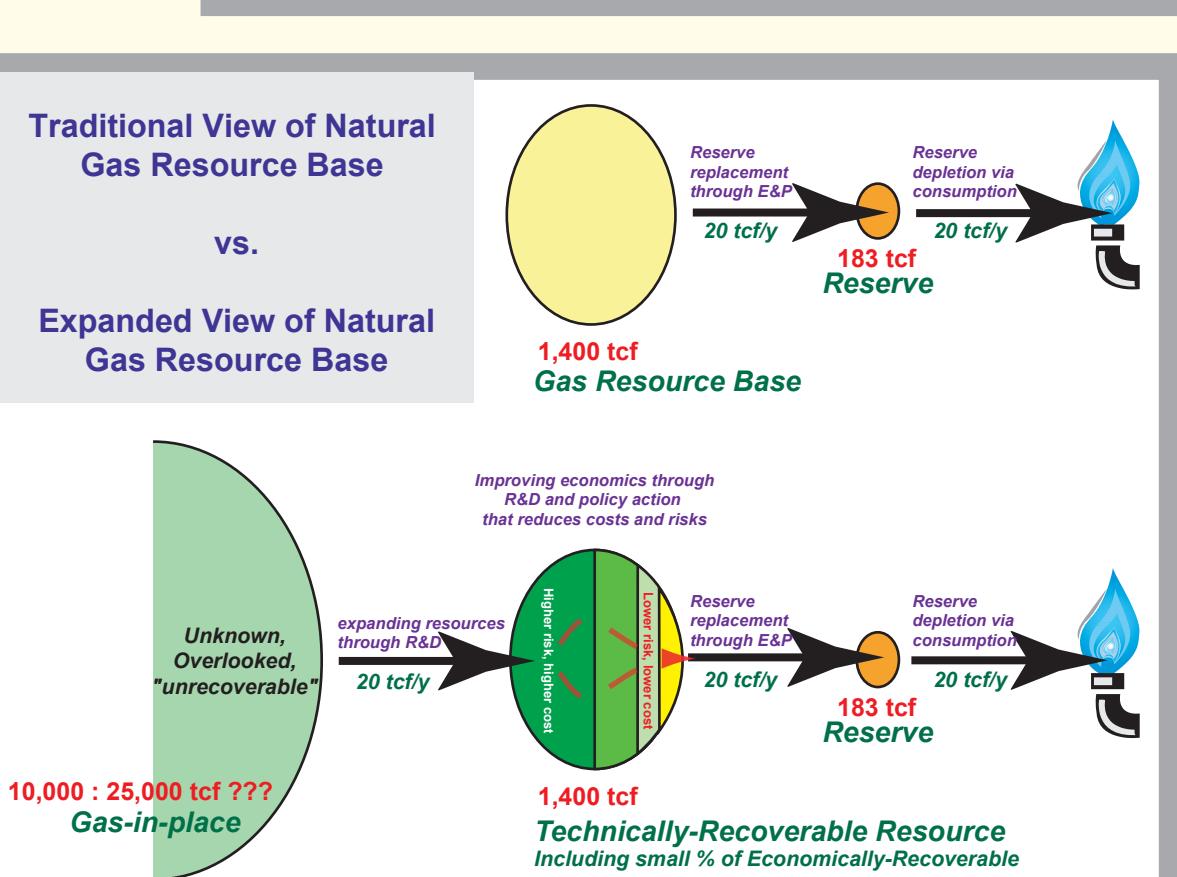
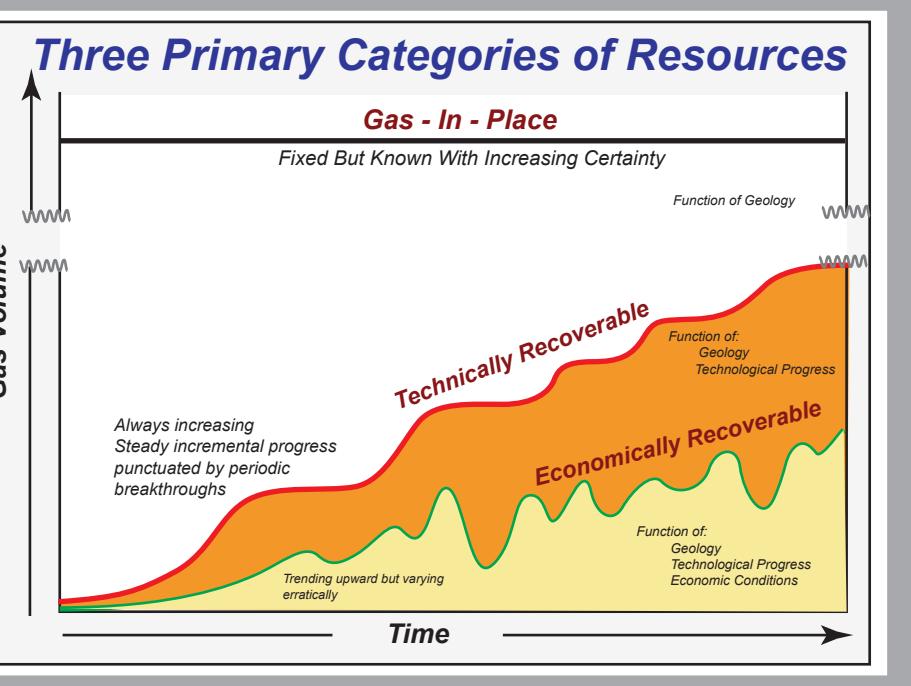
- Resource assessments conducted at NETL support the DOE's natural gas R&D program planning with a focus on:
 - Resources are key program targets
 - Producing & geo-spatially disaggregated databases
- The disaggregated databases generated for each assessment are used to analyze the potential of different technologies under a variety of future scenarios.

Vast Resources Await New Technologies for Entry into Nation's Resource Base

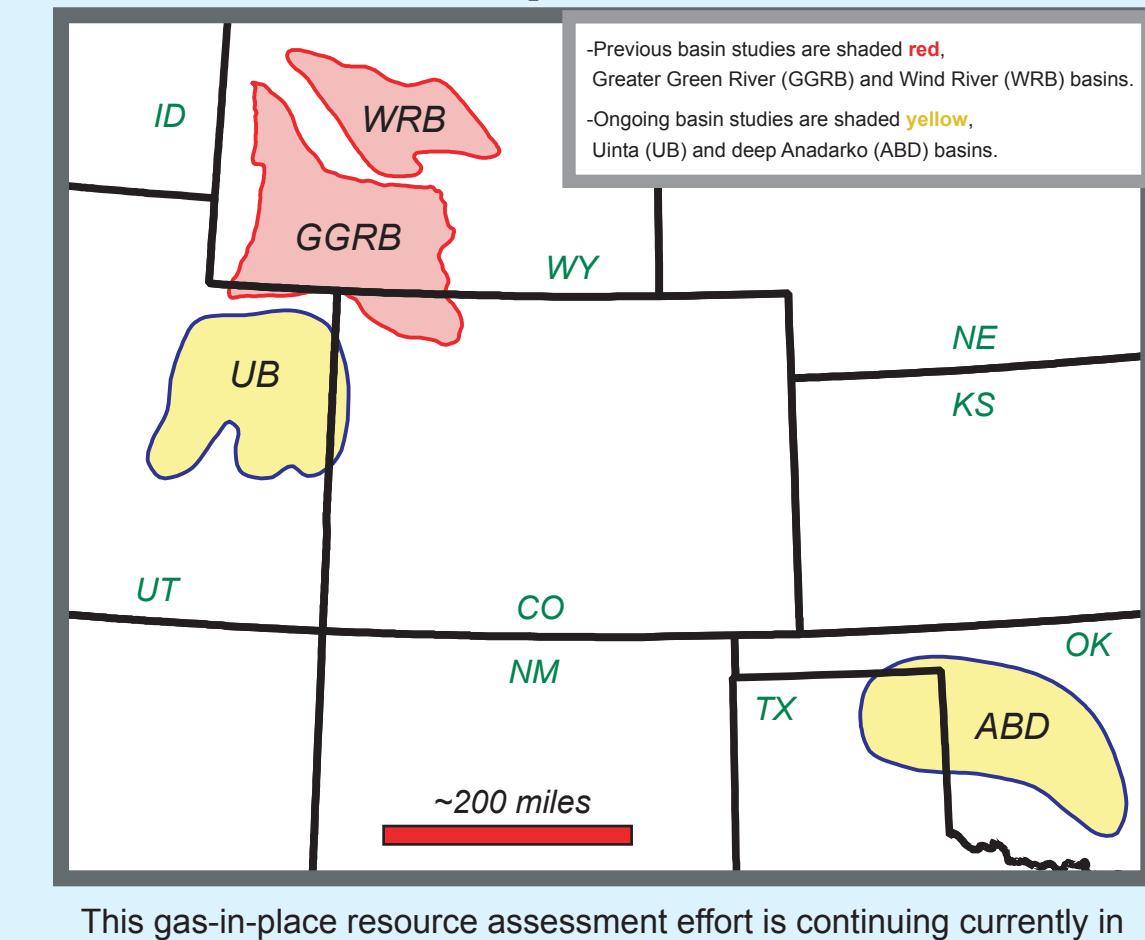


*Excluding Methane Hydrates

The study enables analyses as to why key segments of the gas are currently unavailable to provide insight into the R&D needed to accelerate its entry into the resource base.



Current & Completed Basin Studies

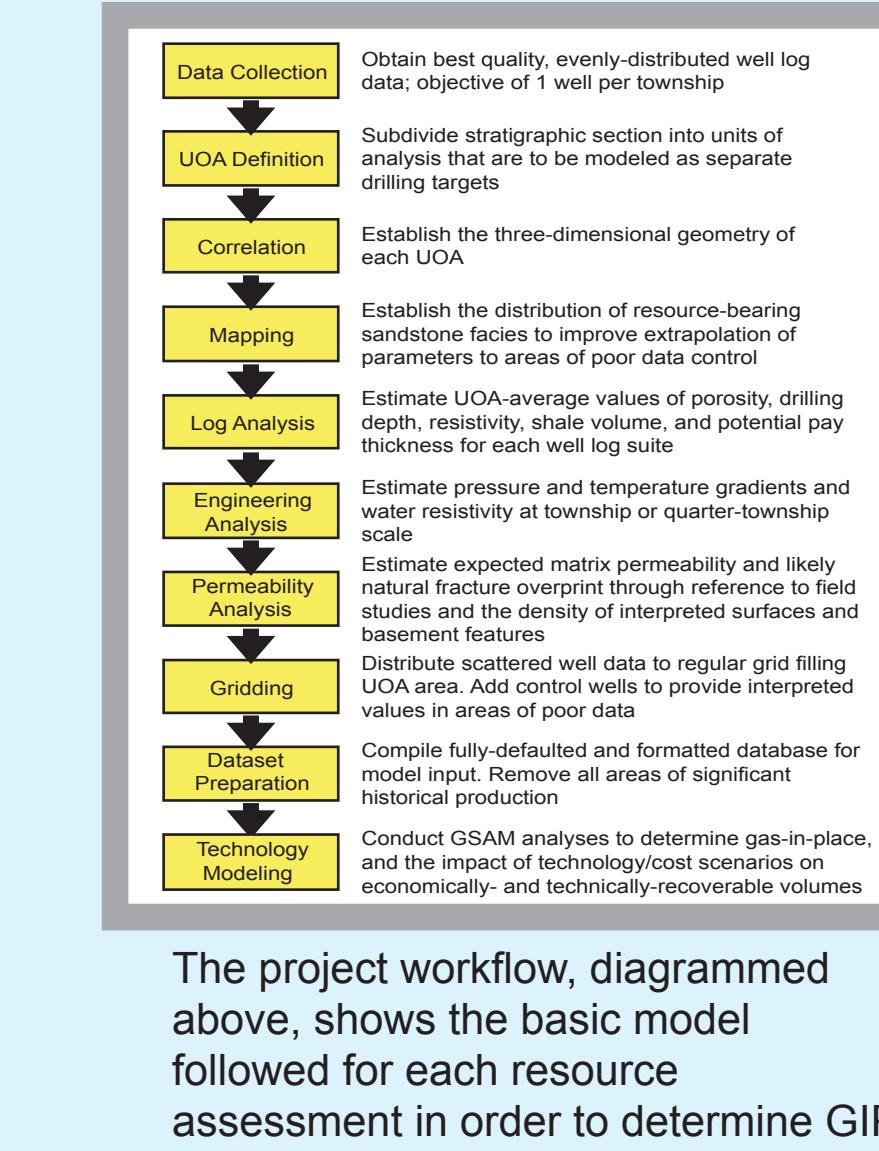


This gas-in-place resource assessment effort is continuing currently in the Anadarko Basin of Oklahoma and Texas and the Uinta Basin of Utah.

Once the UOA's were defined based on the drilling/completion history and geographic extent as determined through correlation of well logs throughout the basin, in the "deep" Anadarko Basin UOA boundaries were typically delineated by structural features, erosional boundaries, and the 10,000' MD structure contour for each.

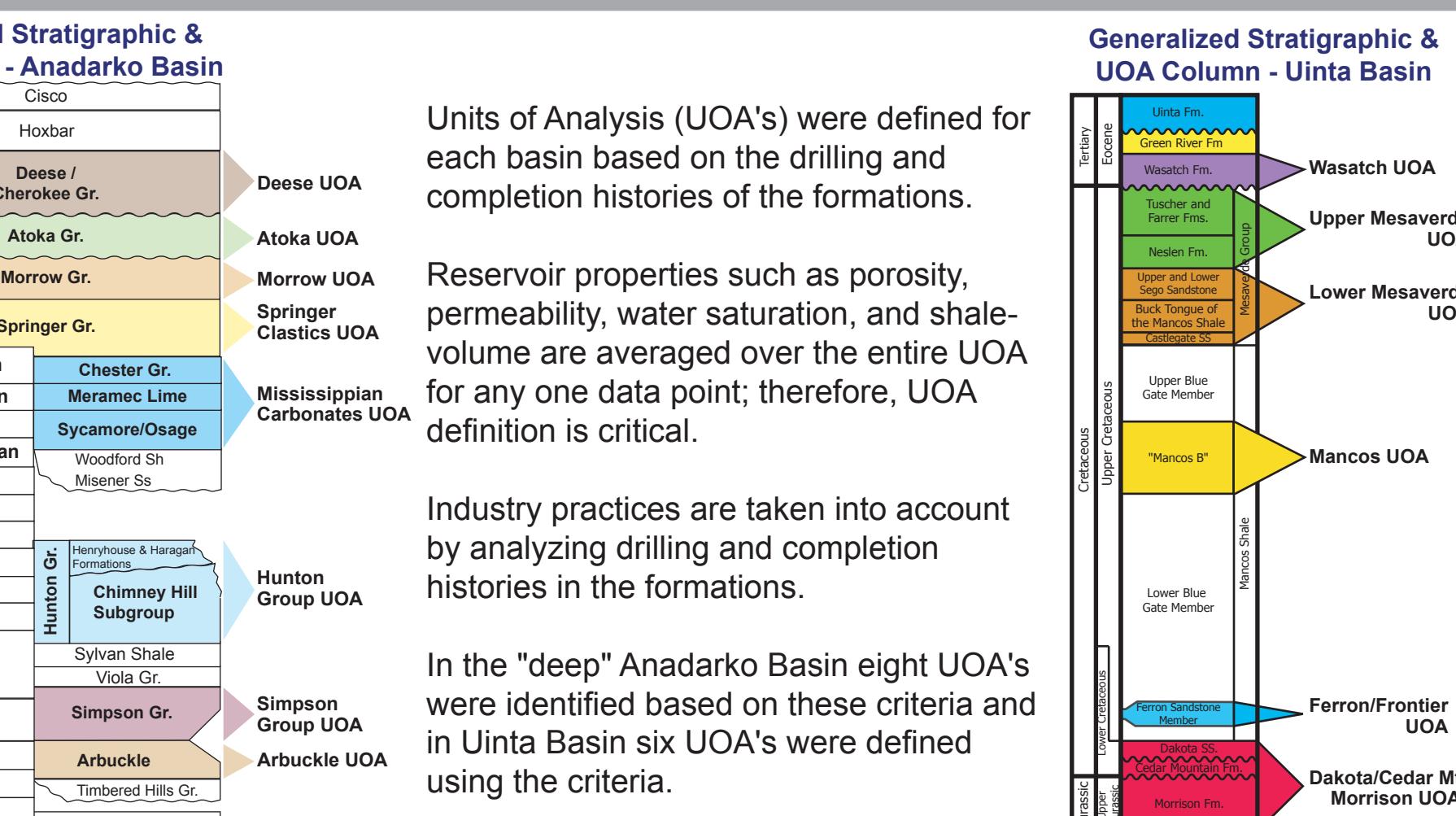
Units in the Uinta Basin were separated into shallow and deep zones based on stratigraphic depth and density of data. The deep portion of the UOA's generally contain significantly fewer well penetrations.

Project Workflow



The project workflow, diagrammed above, shows the basic model followed for each resource assessment in order to determine GIP.

Definitions of Units of Analysis (UOAs)



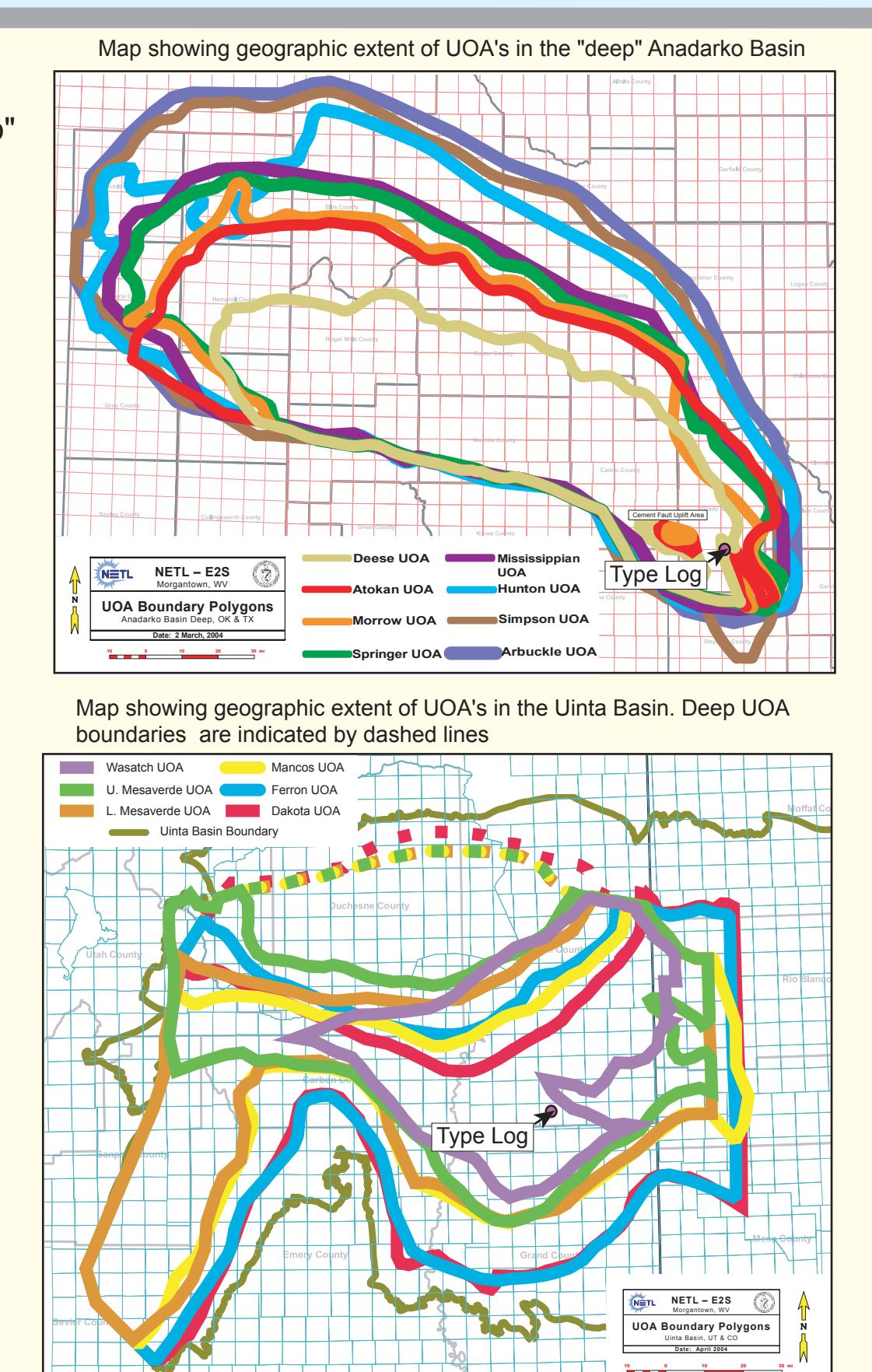
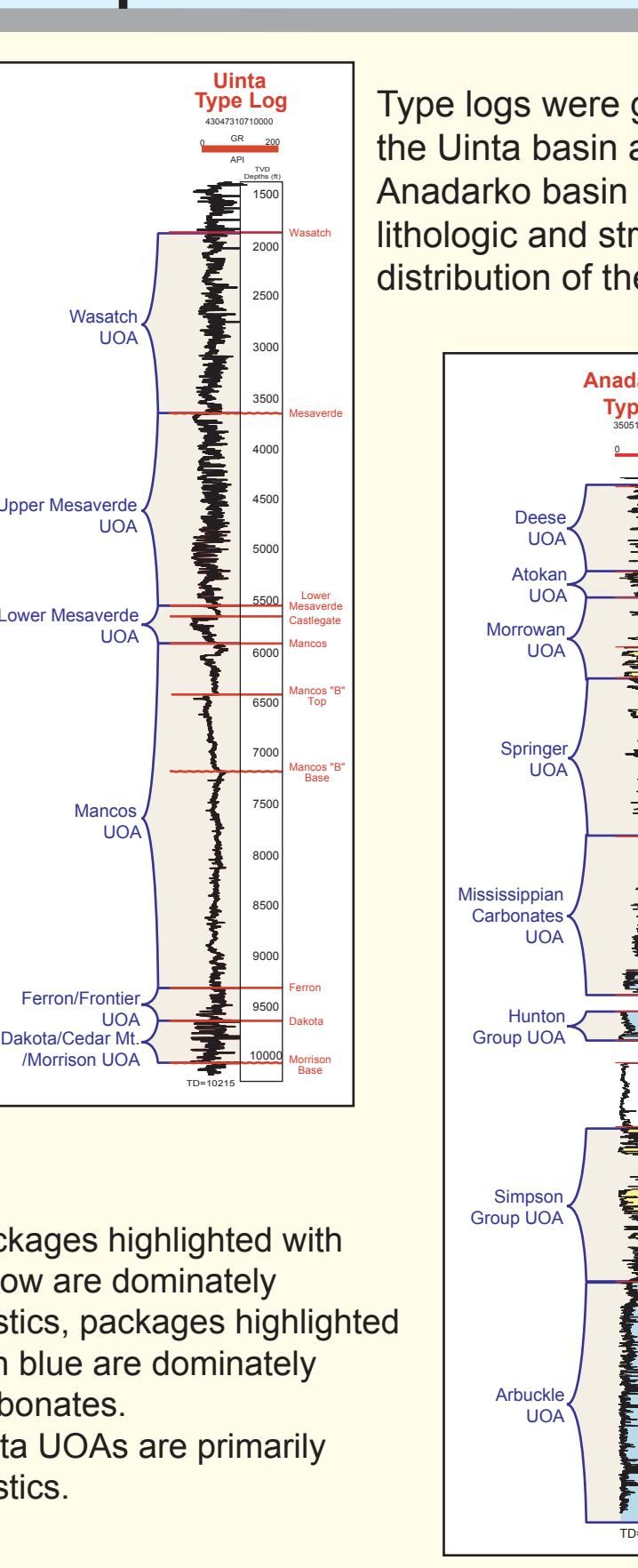
Units of Analysis (UOAs) were defined for each basin based on the drilling and completion histories of the formations.

Reservoir properties such as porosity, permeability, water saturation, and shale-volume are averaged over the entire UOA for any one data point; therefore, UOA definition is critical.

Industry practices are taken into account by analyzing drilling and completion histories in the formations.

In the "deep" Anadarko Basin eight UOA's were identified based on these criteria and in Uinta Basin six UOA's were defined using the criteria.

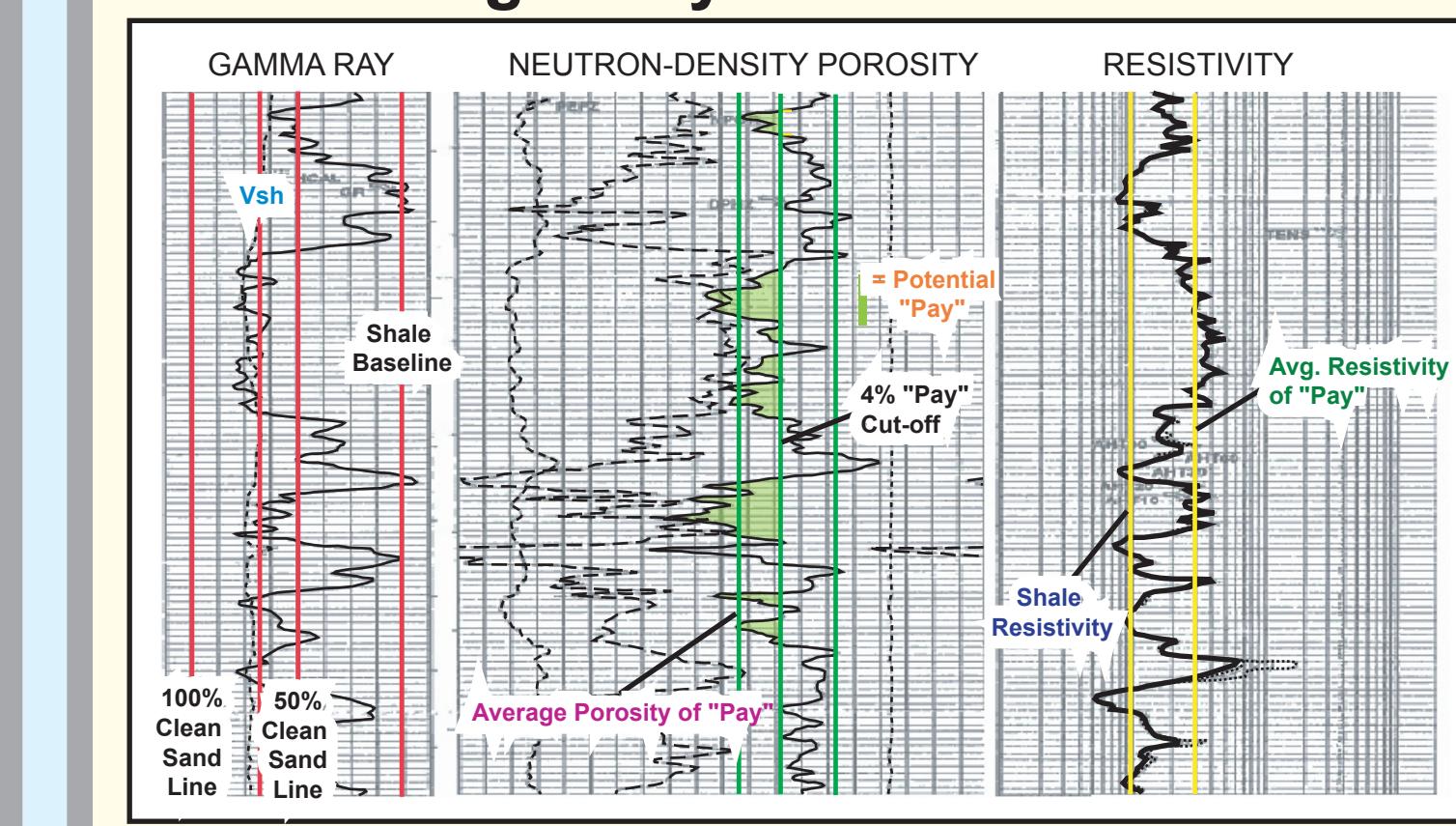
Explanation of UOA parameters



Packages highlighted with yellow are dominantly clastics, packages highlighted with blue are dominantly carbonates. Uinta UOAs are primarily clastics.

Project Methodology

Log Analysis - Clastics



After correlation of the well logs, log analysis is performed in order to collect reservoir properties for the UOAs and determine the variation within the basin of those properties. The properties collected during log analysis include:

- (1) Drilling depth
- (3) Average shale-volume < 50% **
- (2) Net thickness (shale-volume < 50%) **
- (4) "Potential pay" thickness

Generally, the following parameters were used by the geologist when determining "potential pay" of clastics:

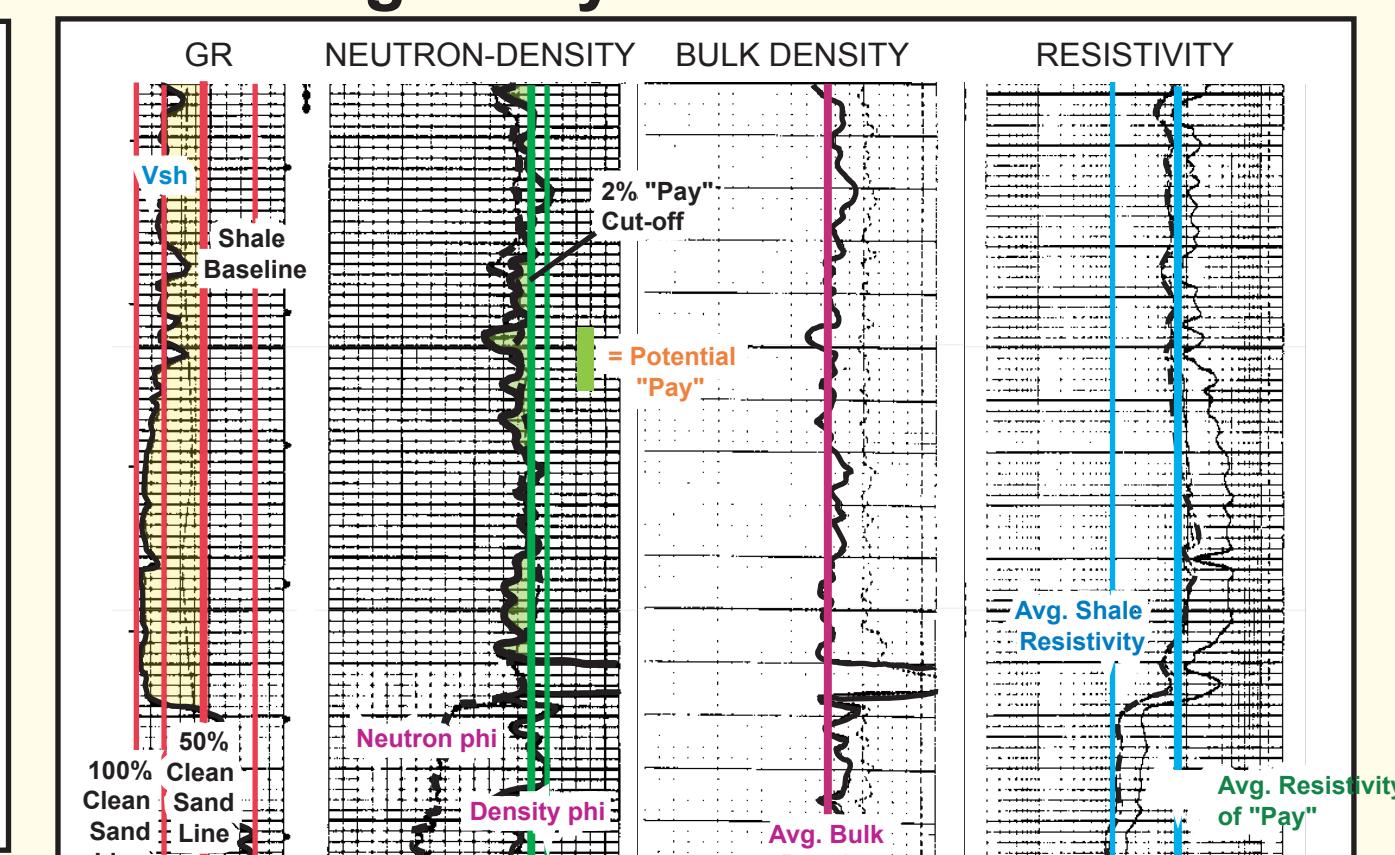
- water saturation < 70%
- porosity > 4%
- shale-volume < 75%
- minimum bed thickness cutoff = 4 ft

The following properties are collected over the "potential pay" interval:

- (5) Average shale-volume
- (6) Average porosity
- (7) Average resistivity

Parameters 1 & 3-7 are entered into either the Simandoux or Archie equations to calculate water saturation. Water saturations >70% are considered wet for this analysis.

Log Analysis - Carbonates



This property was not used to calculate GIP. These values are mapped to create the Isochor/e/Isotopic maps which are distributed throughout the basin.

The following parameters were used by the geologist when determining "potential pay" of carbonates:

- water saturation < 50%
- density porosity > 2%
- shale-volume < 50%
- minimum bed thickness cutoff = 4ft

The following properties are collected over the "potential pay" interval:

- Average shale-volume
- Average bulk density, compensated density, and neutron porosities
- Average resistivity

These parameters are entered into the Archie equation to calculate water saturation. Water saturations >70% are considered wet for this analysis.

Data Density

Data Density	
UOA	No. of wells
Deese	352
Atokan	389
Morrow	341
Springer	329
Mississippian	270
Simpson	136
Arbuckle	96
Washakie	186
L. Mesaverde	188
F. Mesaverde	217
Dakota	219
Uinta	277
Ardmore	153
Ferron	389
Dakota	179
Total	1,123

Variable data density = varying degrees of resolution in resource computation

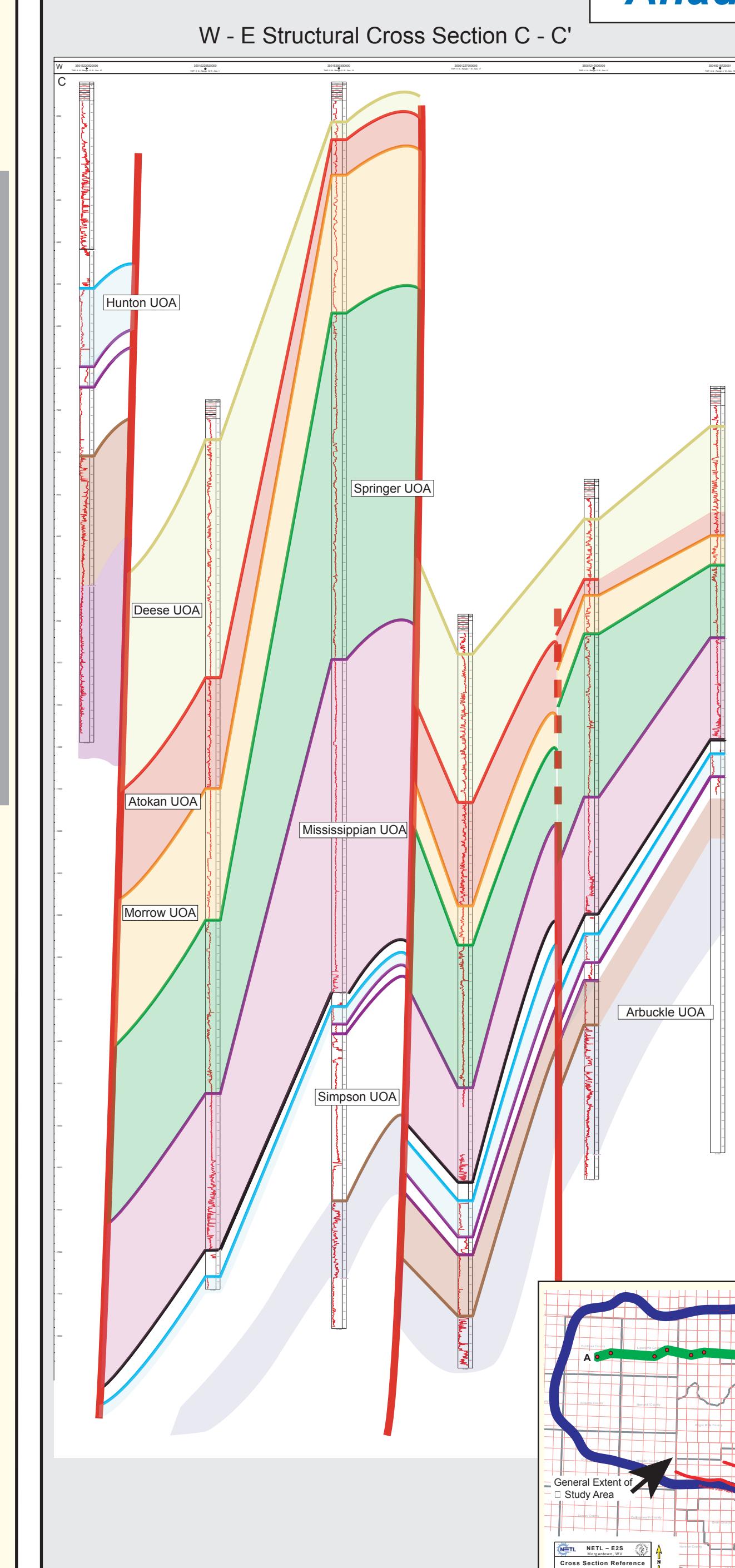
Data Sources

Below is a list of references for data used in the assessments

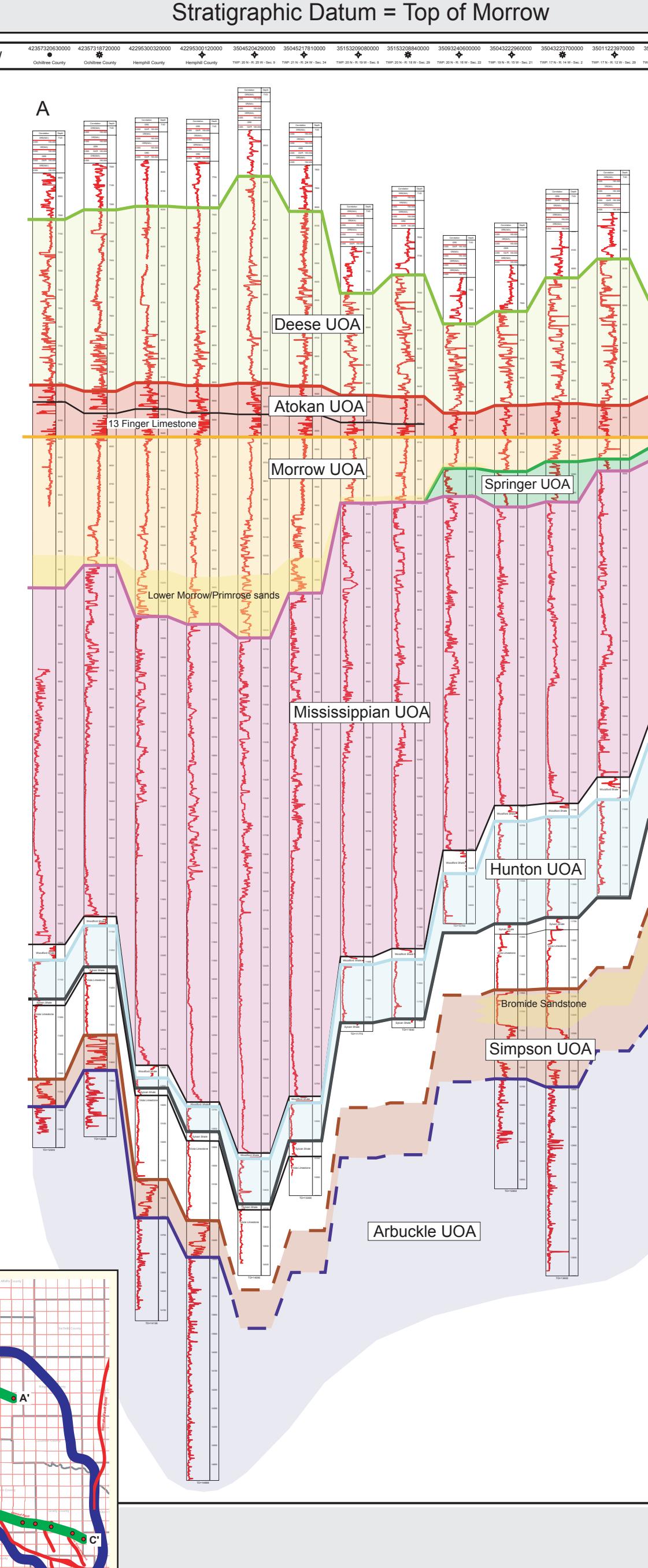
- Well Log: A2D, MJ Systems, In-house Microfile
- Well Data (location & production): IHS Energy, Texas RRC
- Core Data: Oklahoma Geological Survey, IHS Energy
- Re Data: USGS Produced Gas Database, SPE Survey of R&D in Oklahoma, 1998
- Temperature Data: P.K. Cheeley, 1978, "The Geothermal Gradient and Seismicity in Oklahoma," OSU Survey of R&D in Oklahoma, 1998
- Pressure Data: Oklahoma State Univ., "Pressure Data on the Anadarko Basin," OSU website
- IHS Energy

Anadarko Basin Cross Sections

W-E Structural Cross Section C-C'



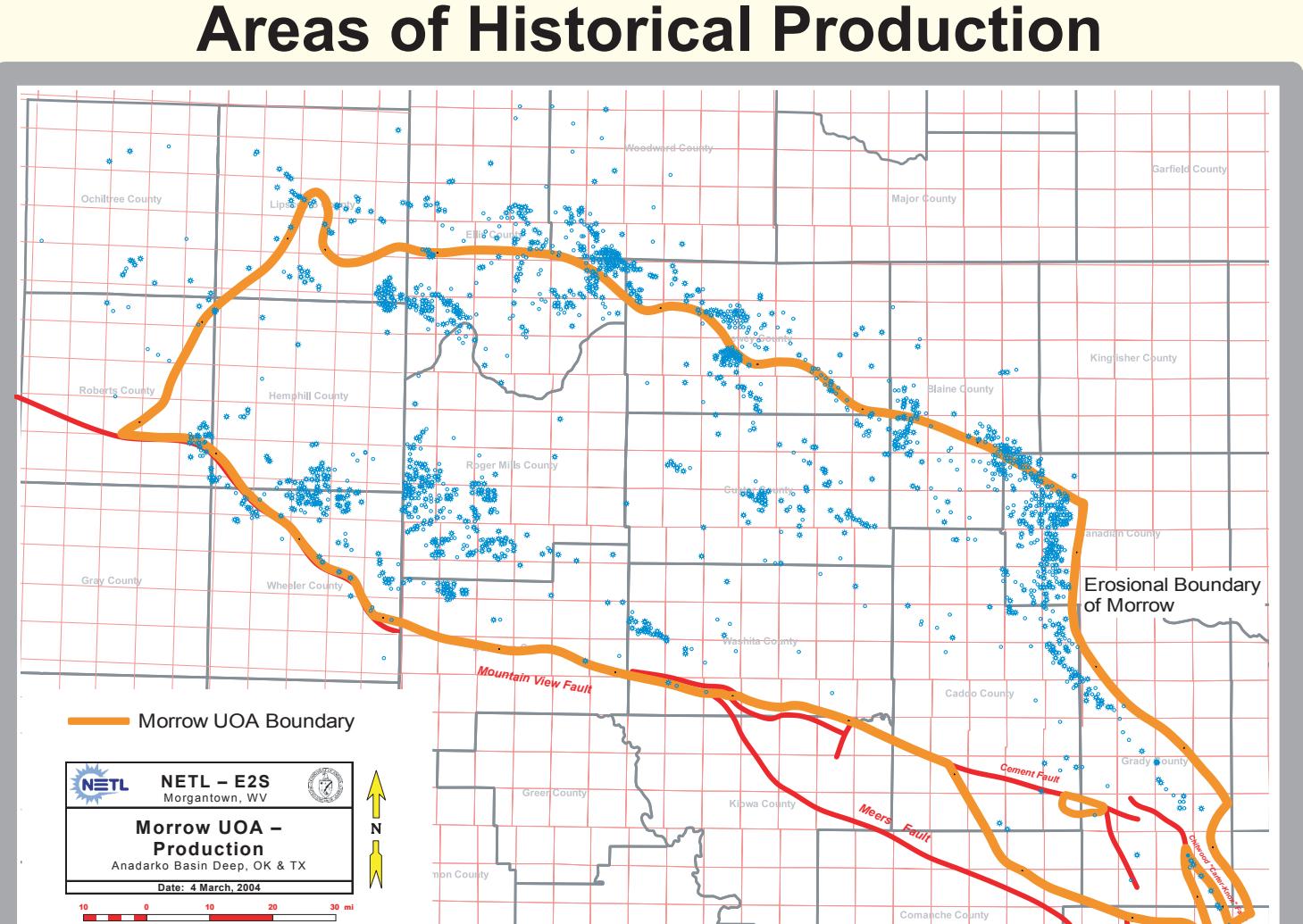
W-E Stratigraphic Cross Section A-A'



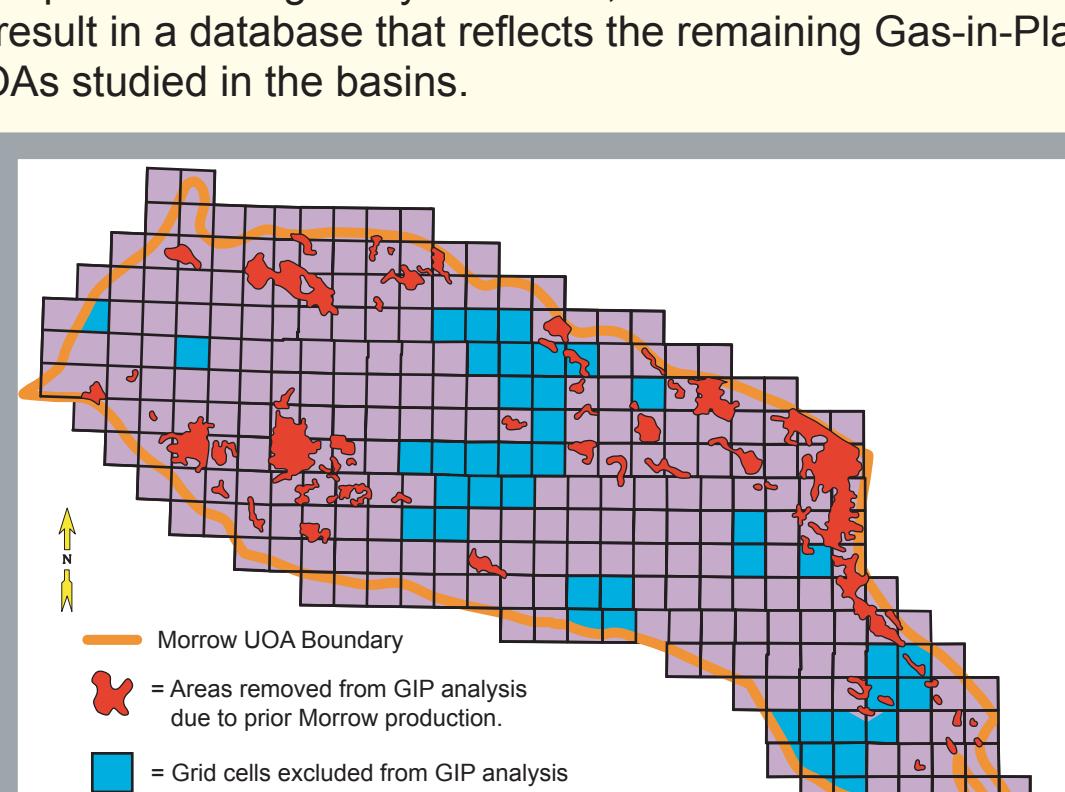
Uinta Basin Cross Sections

Dataset Preparation

Areas of Historical Production



After values for potential pay thickness have been determined for every grid cell area of significant historical production or grid cells that are interpreted as wet due to interpretation of log analysis values, will be extracted from the data set. This will result in a database that reflects the remaining Gas-in-Place potential for all UOAs studied in the basins.



Grid spacing is designed to correlate with the data density. Gridding the unevenly spaced data results in an even distribution of points with a value in the center of the cell.

Previous Assessments

In the past decade the USGS National Assessment quantified Technically Recoverable resources for most major US basins, including the Anadarko and Uinta Basins. In basins where Gas-in-Place assessments have been completed data indicates that only 2% of the existing GIP is technically recoverable. The remaining 98% represents one of the nation's largest untapped natural gas resources.

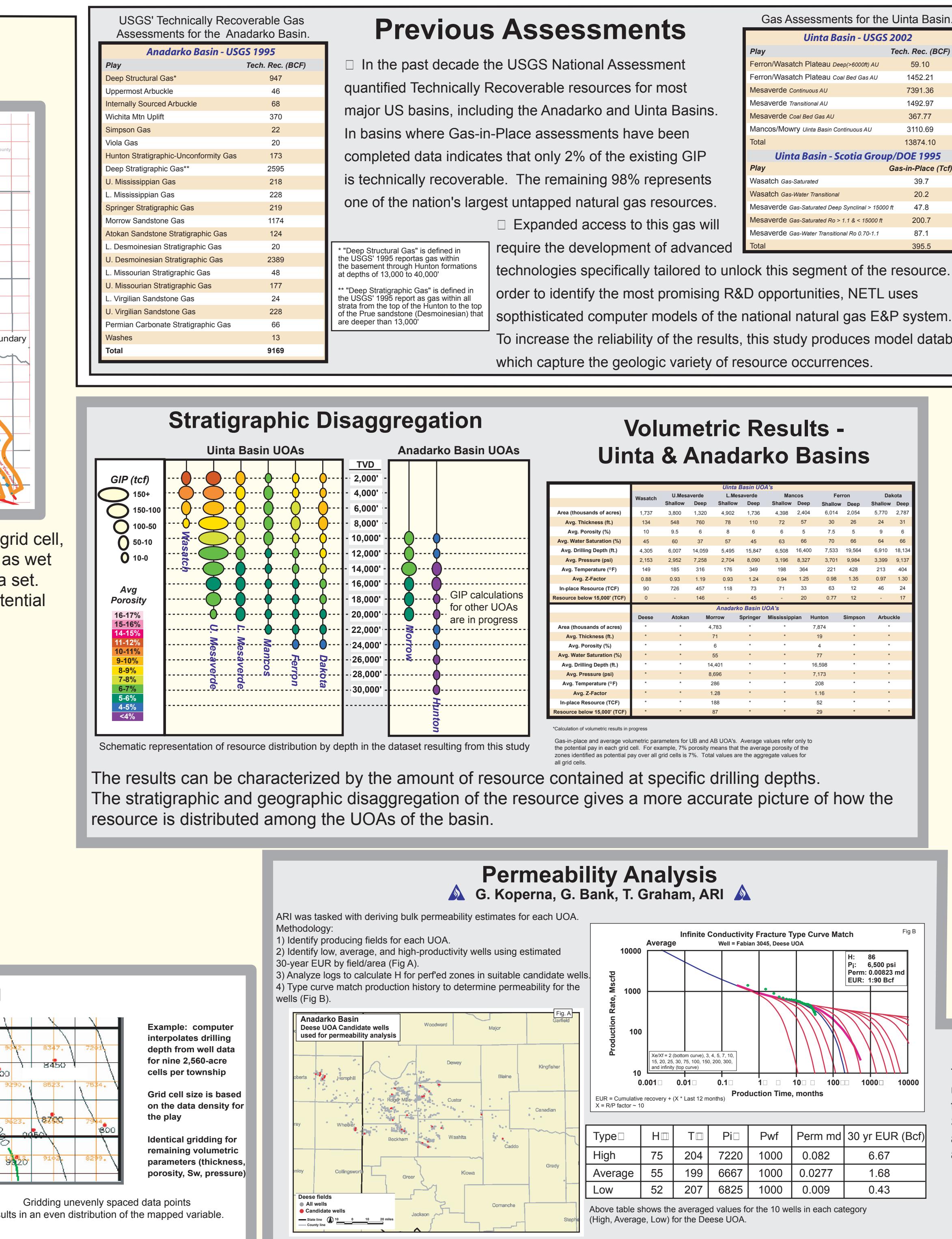
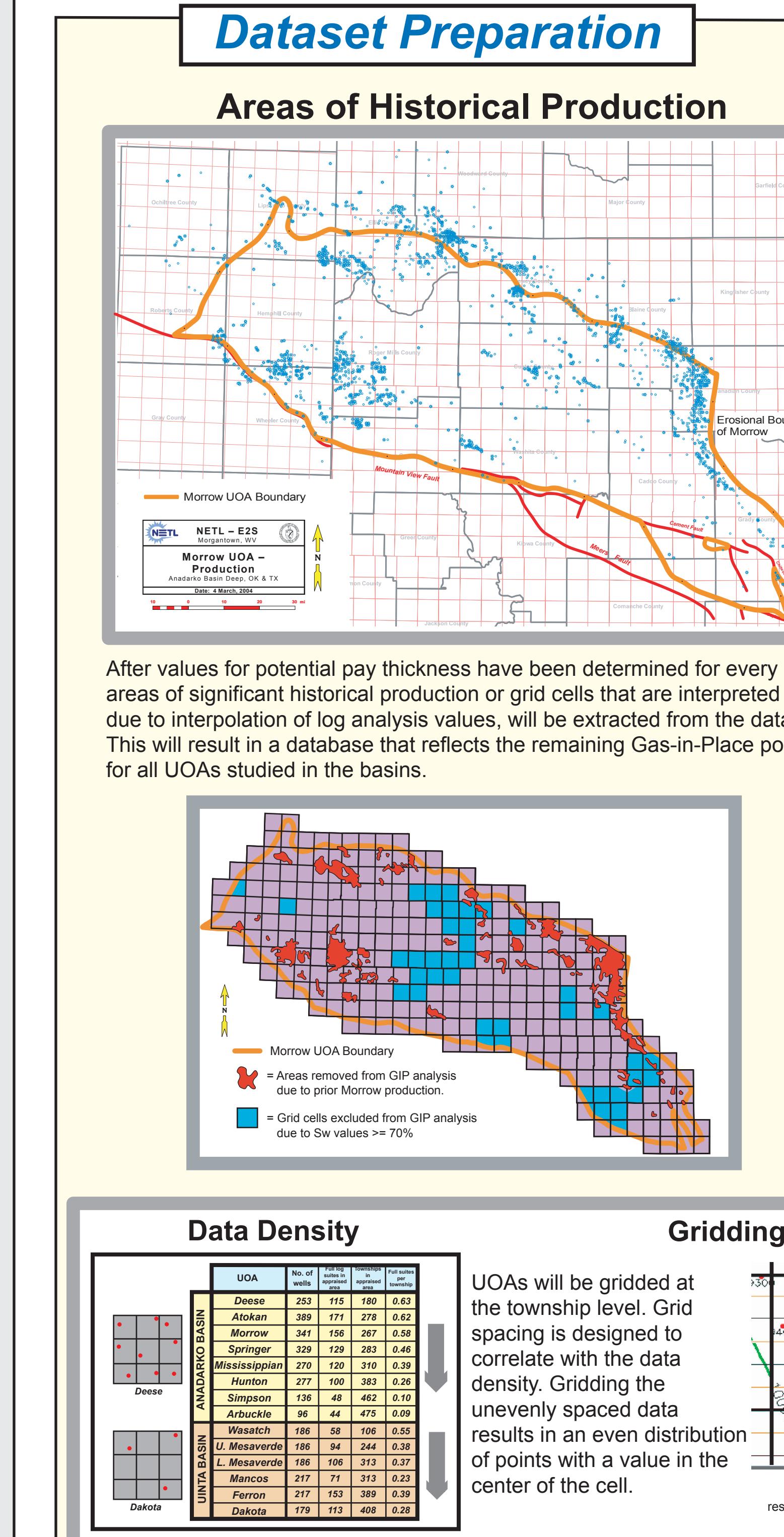
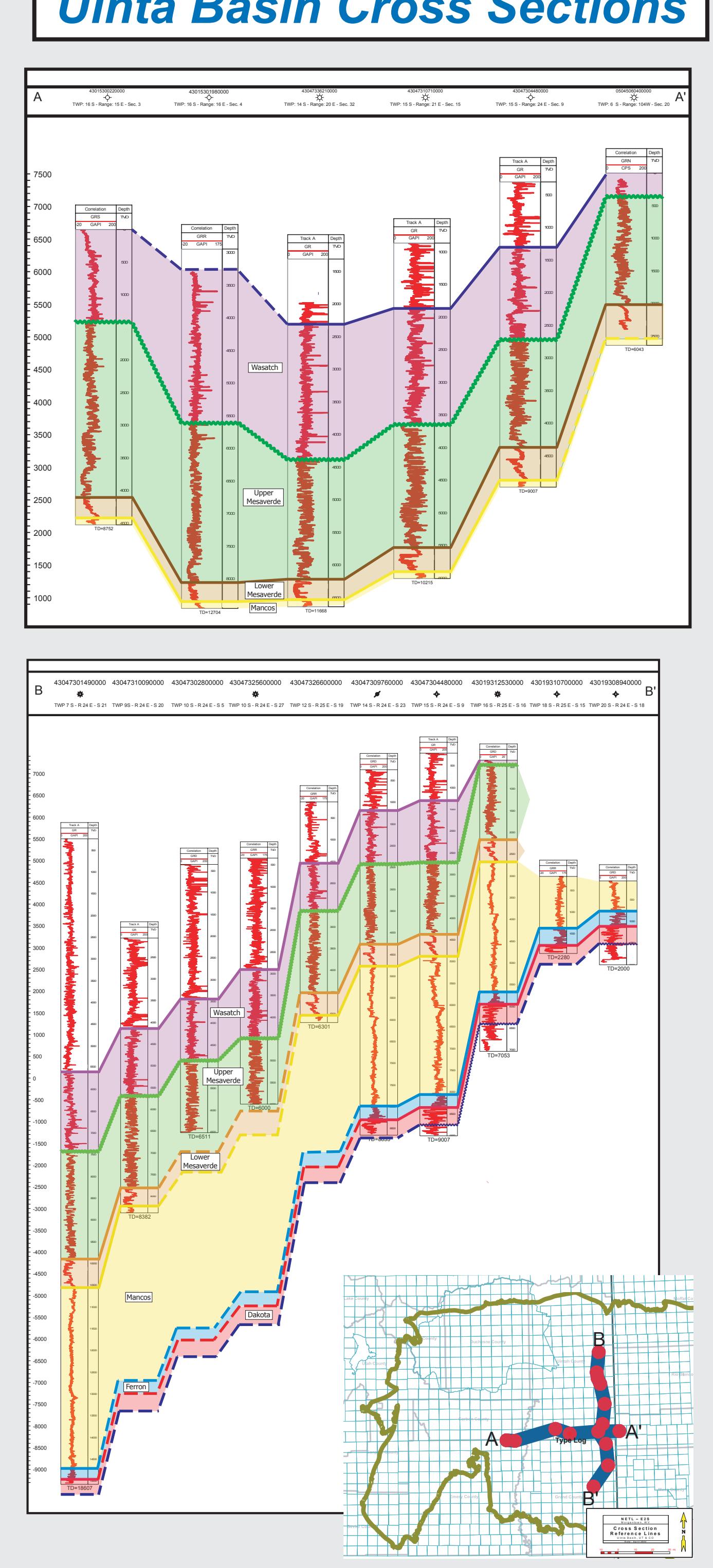
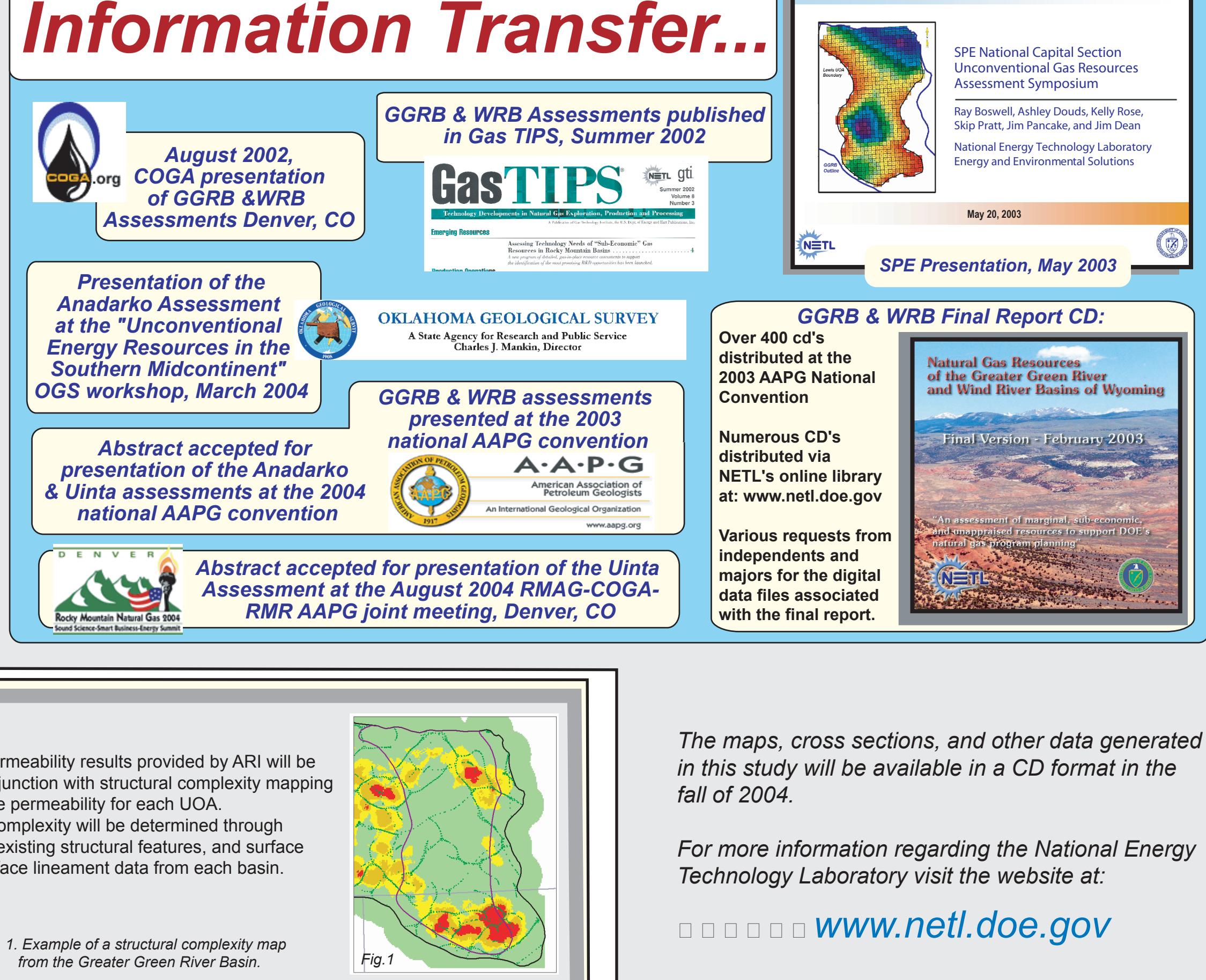
Require access to this data will require the development of advanced technologies specifically tailored to unlock this segment of the resource. In order to identify the most promising R&D opportunities, NETL uses sophisticated computer models of the national natural gas E&P system.

To increase the reliability of the results, this study produces model databases which capture the geologic variety of resource occurrences.

Conclusions

- DOE's National Energy Technology Laboratory is modeling the recoverability of major untapped resources in an effort to identify the most promising R&D opportunities.
- Through log-based analyses, NETL's resource assessment of the "deep" Anadarko Basin seeks to produce a detailed, disaggregated dataset of the basin's tight, deep, and unconventional formations.
- This dataset will assist DOE modelers in the identification of future technologies that can unlock GIP resources and help shift them to a technically or economically recoverable status.
- Previous model datasets have been upgraded through new studies of the Gas-in-Place in the GGRB and WRB that capture the full natural variety in key parameters
- Basins currently under investigation: Anadarko Basin, TX & OK, Uinta Basin UT

Information Transfer...



The maps, cross sections, and other data generated in this study will be available in a CD format in the fall of 2004.

For more information regarding the National Energy Technology Laboratory visit the website at:

www.netl.doe.gov

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